

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19441
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On March 21, 2006, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination [Redacted] (taxpayer) proposing income tax, penalty, and interest for taxable years 1998 through 2004 in the total amount of \$18,943.

The taxpayer filed a timely protest. He did not submit additional information or request an informal conference. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

When the Bureau could find no record of the taxpayer's 1998 through 2004 Idaho individual income tax returns, the taxpayer was sent a letter advising him of the missing returns and asking him for an explanation. The taxpayer did not respond.

[Redacted] Those records indicated the taxpayer's income for the years in question exceeded the filing requirements of Idaho Code § 63-3030.

Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency --
Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the

determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

Because the taxpayer did not file his state income tax returns, the Bureau prepared provisional returns and issued a Notice of Deficiency Determination. [Redacted] answered the notice with a letter stating the accountant had most of the information, and the returns would be filed “by the end of May [sic] the first week of June at [sic] latest.”

The Bureau sent the taxpayer a letter to acknowledge the taxpayer’s protest. The taxpayer was allowed additional time; however, when the returns did not arrive as promised, his file was transferred to the Legal/Tax Policy Division of the Tax Commission for administrative review. In response to a letter advising him of his right to submit additional information or request an informal conference, [Redacted] telephoned to say she would be unable to complete the returns until November 15, 2006. She said she would notify the Tax Commission if she could not complete the returns by then.

The promised returns did not arrive. On November 15, 2006, [Redacted] called again. She said she would have the returns delivered to the Tax Commission no later than November 30, 2006. On December 5, 2006, [Redacted] called with a promise to have the returns submitted before the end of the year. To date, the Tax Commission has not received the returns or any additional information.

The Idaho resident individual income tax returns the Bureau prepared on behalf of the taxpayer were based on income information [Redacted] and the records retained by the Tax Commission. Because the Tax Commission was unsure of the taxpayer’s marital status, the filing status of single was used to determine the taxpayer’s Idaho income tax responsibility.

The Tax Commission’s information shows the taxpayer had an active sales/use tax permit

and a withholding permit [Redacted] during the period in question. Sales/use tax reports submitted by the taxpayer were used to estimate the income and resulting 1998 through 2004 income tax due.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of his argument, the taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayer has provided nothing that would dissuade the Tax Commission from accepting the Bureau's determination of Idaho income and Idaho income tax for tax years 1998 through 2004. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

WHEREFORE, the Notice of Deficiency Determination dated March 21, 2006, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty,
and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998	\$1,809	\$452	\$933	\$ 3,914
1999	1,806	452	800	3,058
2000	1,580	395	574	2,549
2001	1,428	357	408	2,193
2002	2,459	615	545	3,619
2003	1,791	448	302	2,541
2004	1,697	424	185	<u>2,306</u>
			TOTAL DUE	\$20,180

Interest is computed through January 31, 2007.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the petitioner's right to appeal this decision is included with this decision.

DATED this _____ day of _____, 2007.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2007, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]
[REDACTED]
[REDACTED]

Receipt No.
